



FOR YOUR INFORMATION

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DATE: June 15, 1996
TO: Bob Mikulay
SUBJECT: Red Yellow Green

Priorities for the second half of June are detailed below:

RED

Preliminary 1997 Promotion Planning - Critical issue for 1997 planning is PPP scheduling to avoid Marlboro conflict. Two things need to happen to achieve this. First, Marlboro needs to lock in and stick to a plan. Second, we need to coordinate sales force capacity & allocation planning based on information tools (i.e. STARS). I'll be working to lead effort on #2 with Jim Mortensen. We need help from you on #1!

Benson & Hedges - Brand, Agency & Research have met to debrief on campaign concept research & determine next steps for creative develop. The "Ampersand" concept was the clear leader - but with some significant work to be done tying the idea to the product concept. Agency agreed to go "blow out" develop multiple approaches to the concept. Brand rejected an Agency recommendation to shoot "Pack Branding" OOH boards - that simply lacks an "idea". We're also keeping the "Long" concept in the back pocket - it was less of a "wow" to consumers, but might not have as many hurdles to overcome as "Ampersand".

B&H Club - The first stop of the Club tour is Los Angeles on July 15th. Final preparations are underway. The telephone line (1-800-2 BENSON) has been turned on and informs you of local action! Try it!

VIBE magazine goofed by placing Los Angeles edition of club ad in Chicago issue. VIBE sent personal letter to all 16000 Chicago subscribers with correction & free gift from VIBE if they bring the letter to a B&H Club night --- nice fix negotiated! Brand, Media, Media Experti (African American media agency) and GMR (event creative agency) have met to coordinate complicated localized media program.

B&H AND URBAN VISIBILITY - Brand and Deb Potter have worked with logistics & Madden to develop systems for material handling for the Powerforce executed Urban Visibility program. This program (B&H & Marlboro) is underway in all the original non-workload markets except New York where the resources were shifted to clean up the Marlboro visibility at workload.

This work needs to be monitored and worked into the future plans for "Urban Visibility" as discussed at Boulders. It may not be huge - but shouldn't be forgotten as we get "visionary"!

Merit "On The Road" - Creative was approved by you last week. We're getting minor revisions & quality "art" to clear JMM this week. There are also some last minute legal revisions re: "FREE" communication.

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Slims Region 2 - Sonya's meeting with Section Managers delivered the predictable request for Buy-Down money. They compromised with increased deal quantities in the November B2G1F pack program. Also, they are putting together a plan for use of residual incentives. Brand requested a specific account plan to avoid major dumping in Mega price accounts (not a brand business objective!!) I'm still having bit of trouble reconciling the section management request for More-More and the RVP discussion of "too much-too much"?!?!?!?

Slims Music - The CD producer is moving along - songs are being selected and he's writing an original "It's A Woman Thing" song! PR plan work is well underway. Leo Burnett presented a great exploratory on the logo look. The one with the most "wow" is being blown out into several versions & a back up is also being pursued. Research with consumers was delayed to accommodate this further development. You'll want to see the next set of logo work! But you'll need to remember the target audience (YAF's).

Slims Packaging - Great clean results from the package design test. The new VS bug is a clear winner! I saw "flash" results in Phili on Friday - we'll be to you with a review and a recommended conversion plan soon. Now we've got our thinking caps on how to leverage this opportunity.

August Multi-Brand mailing - Saw a comp that comes close on communication and budget objectives on Friday. The concept is a "gallery of masterpieces". The creative development continues to be a painful struggle -- selling a "category" without a specific branded message is tough -- but the creative management commitment has also been difficult to capture. I'll show you the comp Monday.

There will be some overlap between the Multi-Brand and the Marlboro offensive mailings in August. vanDerPutten's group did some terrific analysis that indicated that the overlap group was well worth mailing because of their responsiveness history. Think about it in terms of perhaps a Winston Light's 100's smoker who's got Merit, B&H & Marlboro Lights all in his consideration set.

YELLOW

Parliament November Hologram - Brand is looking at several options to leverage on-pack holograms for their November retail event. Currently they are talking with FSF about a side-by-side two pack execution with a price off incentive and a buy-down for a hologram premium (perhaps a watch-pretty cool!) Side -by-side would show off the holograms packs better than a back-to-back execution. This will be green and blue.

Slims Kings -We took concept boards to consumers in Phili on Friday. They don't reject a regular size cigarette from Virginia Slims -- but nor are they waiting to jump for it. Ken Houghton had requested a review at the next NPC - but frankly I don't know if we have a clear enough idea of where we need to go. Let's talk more.

Virginia Slims Advertising - We've got a preliminary Pool 2 discussion with Mara & Thomas on June 20th. We plan to share what we like & don't like; our observations on the campaign to date; and thoughts of where we want to go. Any thoughts of yours you would like us to convey?

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V-Wear Spring 97 - We're on your calendar to share "It's A Wild Thing" safari collection with you on Thursday. This will be a precursor to pre-planning photo shoot in early August.

B&H Summer Entertaining - Redemptions are coming in on forecast except for the William Sonoma cookbooks that are already at 100%. We're talking with Time Warner, the publisher, about another press run.

Merit Awards II - With 90% of mail open, we can declare no outrageous surge like last year. It appears we were close on forecast - with only an excess of CD alarm clocks (which we can sell back) and leather jackets (\$1.5MM which we're looking to sell back without label lining). Yes, I'd like to come in at 100% no more, no less --- but I'd rather have the modest error this way with 100% consumer satisfaction than the other way.

Merit Ultima - Brand is set to review concepts & package design for "restage" with me this week, prior to research next week. We'll try to find time on your calendar to review - especially in light of the Eclipse activity. I think we need to clarify for a broad audience that "no smoke-no odor" is a technological development project, not yet attached to a brand, and certainly not yet in arm's reach.

Merit Bowling - Brand had Events review the 96 program for me last week. Despite our initial difficulties getting bowling organization contracts, we are ahead of the curve in getting centers signed for the 96 grass roots program. Brand & Events will be at the national Bowling convention the last week of the month to finalize the program. Depending on the number of centers signed, they'll be looking to expand the bar nights tested earlier this year into the key markets during the fall. How many we can do will depend on a balancing act of the budget.

GREEN

Cigarettes are Cheaper- Plans are underway for V-Wear to be display as soon as the display cases are mounted in the stores.

Catalina - Based on positive analysis, we're set to renew the three month participation in the Catalina in store couponing program.

New Products Training - Sonya Rush & Melinda Maggio are both scheduled to participate in the first New Product Development training session this week.

Stephen Covey - 7 Habits of Effective Leadership -This got overall good review from participants. The morning that focused on effective listening was the most helpful section.

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